



Approved April 10, 2019

**CITY OF SCOTTSDALE
WESTWORLD SUBCOMMITTEE
REGULAR MEETING**

Wednesday, February 20, 2019

**Monterra at WestWorld
Conference Room
16601 North Pima Road,
Scottsdale, Arizona**

SUMMARIZED MINUTES

PRESENT: Vice Mayor Linda Milhaven, Chair
Councilmember Guy Phillips
Councilmember Virginia Korte

STAFF: Brian Dygert, WestWorld General Manager
Bill Hylen, Scottsdale City Attorney's Office
Dan Worth, Public Works Executive Director

Call to Order/Roll Call

Noting the presence of a quorum, Vice Mayor Milhaven called the regular meeting of the Scottsdale WestWorld Subcommittee to order at 4:00 p.m.

1. Approval of April 19, 2018 Minutes

COUNCILMEMBER PHILLIPS MOVED TO APPROVE THE MINUTES OF THE APRIL 19, 2018, REGULAR MEETING AS PRESENTED. VICE MAYOR MILHAVEN SECONDED. THE MOTION CARRIED BY A VOTE OF THREE (3) TO ZERO (0). VICE MAYOR MILHAVEN AND COUNCILMEMBERS KORTE AND PHILLIPS VOTES IN THE AFFIRMATIVE, WITH NO DISSENTING VOTES.

2. Election of Sub Committee Chairperson

COUNCILMEMBER KORTE MOVED TO NOMINATE VICE MAYOR MILHAVEN FOR CHAIRPERSON OF THE SUBCOMMITTEE. COUNCILMAN PHILLIPS SECONDED. THE MOTION CARRIED BY A VOTE OF THREE (3) TO ZERO (0). VICE MAYOR MILHAVEN AND COUNCILMEMBERS KORTE AND PHILLIPS VOTES IN THE AFFIRMATIVE, WITH NO DISSENTING VOTES.

3. Frequency of Meetings

Councilmember Korte asked that since a study of WestWorld had just been completed, might it be a good idea to look through the findings which would apply to making WestWorld the best it could be. Vice Mayor Milhaven asked if the City Manager had some input to that before the Subcommittee addressed the frequency of meetings. She requested that the City Manager move to Item 4, Subcommittee Work Plan.

Following discussion of the work plan, Councilmember Korte suggested meeting every other month for the coming year, and Vice Mayor Milhaven recommended late April, June, September, and November (Wednesdays at 4:00 P.M.), to which the rest of the Subcommittee agreed.

4. Subcommittee Work Plan

WestWorld General Manager Brian Dygert stated that he had met with the City Manager earlier that day to discuss the Work Plan specifically. He added that the City Manager thought that the Subcommittee's work would be pertinent to the bigger piece at the Council level, and bullet points were identified as:

1. CIP Master List (contains WestWorld Projects)
2. Event Development Fund
3. Prioritizing and incentivizing the event calendar (event producers and where they place in the calendar that would allow WestWorld to continue to maximize its assets within a fixed calendar)
4. Ordinance change that would give the City Manager feedback from the Subcommittee as far as flexibility and authority to the City Manager for what WestWorld's multi-use, multi-year contracts would look like
5. Sponsorship/Signage Program – needs to be created and would have to ultimately be approved by the Bureau as well as City Council, but would entail building some parameters around what could assist in that program that would add new revenue and help the operations
6. Soft Work around trying to utilize community recreational use when calendar had unique holes and opportunities to allow that

Councilmember Korte stated she had skimmed the CIP list, and Dan Worth, Public Works Director, stated that there were WestWorld projects on it.

Councilmember Phillips stated that he is on the CIP subcommittee. He noted that some of the items might not be passed by a bond if Council approved them. He added that meetings of the WestWorld Subcommittee might reduce some of the list, but the WestWorld items on it, such as parking would have to go to bond, but could be cut out of the list altogether for that reason. Councilmember Phillips noted the importance of the Subcommittee having an idea of where funds might come from for projects that would stay on the list.

Vice Mayor Milhaven stated she was okay with Council moving forward, so perhaps the issue should be put on a future agenda item for WestWorld, and get an update, and pending the process in place, it could be dealt with. She did not want to hold up the CIP process. Vice Mayor Milhaven asked for other items that might need to be tackled first, other than the ones

already on the list, and Councilman Phillips stated that other than the gaps in the event calendar, dealing with the calendar might not be more involved. Mr. Dygert stated that comment from consultants referred to existing events that could be sitting in higher demand dates, which would impact the tourism industry, either less or more significantly than the ideal calendar events in prime spots. He added that if an event had first rights, they had the right to stay there, as they had “decent first right of refusal” and WestWorld’s calendar has been managed in this manner for years.

Mr. Dygert stated that the economics of that and deficit of the operating budget is why consultants made the recommendation to prioritize the events, and incentivize parties to take an alternative date in order to place bigger, more impactful events in that slot. He said he would look to the Subcommittee for whether that is a good idea, and if it determined that it was, then work to build parameters around that would be needed. Mr. Dygert added that throughout the event industry as a whole, there are always dates for which events are competing against each other.

Vice Mayor Milhaven asked if events that include food and beverage are more desirable, since those would make more money than those that do not, and Mr. Dygert agreed, stating that was correct on a simple scale. Councilman Phillips stated he would not want to risk losing some bigger events by trying to push them around.

Vice Mayor Milhaven opined that it was possible to set some thresholds, while still leaving those events as automatic.

Councilman Phillips expressed concern over kicking out some of the bigger unique events, such as the Arabian Horse Show, and Mr. Dygert explained that should not happen, since there was a multi-year binding legal document in place, with set contracts. The majority of events have annual contracts, which gives WestWorld some flexibility to consider the calendar and needs of the tourism/hotel industry when administering the calendar. He added that it is possible to book uncontracted events tentatively, until a contract is signed. WestWorld staff cannot sign contracts for events more than 12 months into the future. More distant events must be approved by City Council.

Councilmember Korte stated that this, as well as the ordinance change, would be outside the City Manager’s purview, and noted the need to be flexible and act within a timely manner, rather than having to wait for the next City Council meeting. She added that the two bullet points of the event calendar, and flexibility of events and contracts, could be combined under operations. Vice Mayor Milhaven stated perhaps that should be the Subcommittee’s first priority, to review that, and set some criteria for it, then move it to Council for possible action. Vice Mayor Milhaven suggested gaining recommendations from staff for calendars, then look at the issues in more detail, and Councilmembers Phillips and Korte agreed.

Vice Mayor Milhaven stated the topics in order of importance as:

- Calendaring and contracts
- Signage
- Community recreational use
- Event development fund
- CIP as timing allows.

By consensus, the three subcommittee members agreed to address the list in the order above.

5. WestWorld Update

Mr. Dygert provided the following highlights of WestWorld booking calendar:

- Annual statistics (normal in event industry) provides five-year historical picture
- Equestrian and special events or equestrian and non-equestrian
- Attendance, contracts are tracked, along with events themselves
- Variance in numbers is due to contract events producing multiple events
- Includes Monterra and the events there
- Statistics are kept on an annual basis and published accordingly
- Copy of 2019 booking calendar provided to Subcommittee (Publisher software); not double-booking is key
- Monterra events 50% decrease in events over the past five years is mainly due to the change in the banquet business in recent years, and the focal point of WestWorld has also changed as in focus on food operators in the Monterra building to supporting events.

Councilman Phillips said that it appeared that even though events went down, attendance went up and Mr. Dygert stated that the number of smaller events has reduced, and have been replaced with larger events which have higher attendance. He added that the event world moves about five years behind the general economy. Prioritizing and managing the calendar ties into this scenario.

Vice Mayor Milhaven asked about parking issues, and Mr. Worth explained that available parking is diminishing so there is a sense of urgency on that matter. Vice Mayor Milhaven stated she would prefer that event organizers pay for the parking. Mr. Worth stated that was a recommendation made to the City Manager. Vice Mayor Milhaven recommended placing the item as a future discussion topic for the Subcommittee.

Mr. Dygert stated that for calendar year 2019, there are currently two weekends that are not booked, and since WestWorld now is viewed by staff a bit differently since the Tony Nelsson Equestrian Center was built, it was categorized in four assets as: North Hall, Equidome, Tent, and Outdoor Field Space. Mr. Dygert added that North Hall has six weekends not booked, Equidome with 13 weekends not booked, the Tent with four weekends not booked. Both the Tent and the Outdoor Field space are not usable for four months of the year, so in the remaining usable time frame, only four weekends are not booked.

Mr. Dygert undertook to provide a hard copy of the consultant's report to the Subcommittee Members.

Vice Mayor Milhaven asked if there was enough detail in the master plan regarding prioritizing and what items should be considered, and Mr. Dygert stated there was enough detail and staff expertise to cover that.

Public Comment

There were no public comments.

Adjournment

The meeting adjourned at 4:41 p.m.

Recorded and Transcribed by eScribers.